

Cadence Industries fully supports Pacific Bell's entry into the long distance market. Our position is based on the following points:

- * With SBC Pacific Bell's entry into long distance, the market will be truly open and fully competitive - and will benefit California consumers by offering savings, convenience, easy to understand calling plans, responsive customer service and the convenience and value of one-stop shopping for all telecommunications services.

- * SBC's ability to offer long distance service will give the members of Cadence Industries more choices, better service, savings, and convenience.

- * SBC Pacific Bell's entry into the long distance market comes at a time when the nation's telecommunications industry is in significant turmoil. Competition in the industry is now the norm, and it is necessary for regulators to apply fair and balanced rules to all providers in order to ensure that competition is based upon investments, technology, and sound business practices. An open and competitive telecommunications market will benefit every Californian.

- * SBC Pacific Bell filed its long distance application over four years ago. The CPUC has overseen an unprecedented series of filings, workshops, audits, re-filings, tests and hearings - all designed to ensure SBC Pacific Bell has complied with the 1996 Telecommunications Act's requirement to open the local market to competitors. The marketplace is clearly open as companies across the state are offering consumers a wide variety of services - including local telephone service.

- * To date, the FCC has approved applications from 23 states. Over 141 million Americans are experiencing the benefit of a full, open telecommunications market - and Californians want and deserve these benefits too.

- * We are dismayed that the long distance entry process for SBC Pacific Bell has taken so long when other states have opened the door to long distance competition.

- * Cadence Industries has had a long-term relationship with SBC Pacific Bell - the company has been a good, solid corporate citizen; it makes positive contributions to the state and our local economic efforts, and its employees are involved in the communities in which they live and work.

Based on the reasons above, Cadence hopes the FCC will rule favorably on Pacific Bell's application to provide long distance service both within and outside of California.

Respectfully

Bruce Humiston